RV prospects called good for rest of decade

By Jack Walsh
Truck & RV Editor

In spite of the current slowdown in recreational-vehicle sales, 1984 will be a good year for the industry, and both chassis manufacturers and RV leaders are looking for an upturn early in 1985, and continued growth throughout the decade.

This year hasn't been as good as some expected, but in the opinion of Thomas H. Corson, chairman, Coachmen Industries, Inc., it's been one that could be the envy of many businessmen.

"The year will wind up . . . with retail sales approximately 10 percent ahead of last year," he said. "The vast majority of business people in America would be pleased to participate in an industry that enjoyed a 10 percent growth."

He noted, however, that the industry had expected a gain of from 25 to 28 percent during the year, and added:

"This optimistic expectation was probably not totally justified, but it might have materialized had we not had generally poor climate during the spring, four increases in prime interest rates and some concern over Lebanon and Persian Gulf developments at the height of the prime selling season."

• For 1985, Corson sees continued growth, but at a slower rate than this year, with prospects of a "reasonably good business environment for our industry over the foreseeable future."

"We look for a 5 to 10 percent growth in units (in 1985), a continued slow trend toward motorized and a 5 percent inflation factor," he said. "This should develop a 15 to 20 percent increase in dollar voume for the industry."

Robert D. Burger, Chevrolet general manager, said RV sales should start turning up after the first of the year.

"Generally, RV sales are slow during the fourth quarter, the quarter in which a number of trade shows take place," he observed. "These shows usually generate sales that show up during the first and second quarters of the following year."

He noted that the RV indus-

Continued on Page 26, Col. 3

Isuzu heavy makes U. S. debut

Although there are no plans to market it in the U. S. at this time, this Class 8 Isuzu tractor was part of the display by Isuzu Truck of America, Inc., at the recent Truck '84 show in Las Vegas. Isuzu Truck has introduced a Class 3 diesel straight truck in the U. S., and demonstrated the vehicle to dealers prior to the show.

Mack earnings, sales boom in third quarter

ALLENTOWN, Pa. — Third-quarter sales and earnings were significantly higher than those in the same period a year ago, according to Mack Trucks, Inc.

Net income for the three months ended Sept. 30 amounted to approximately $24.2 million, the company said, compared with $39,000 a year ago.

A spokesman said earnings benefited from a $9.3 million reversal of deferred tax liability related to the untaxed income of Mack's DISC (Domestic International Sales Corp.) subsidiary, and included a tax benefit of $789,000 from loss carry forwards.

Net sales for the quarter totaled about $500.8 million, an increase of 67 percent over the previous year's $300.1 million.

The spokesman said deliveries of Class 8 trucks during the three-month period were 94 percent higher than a year ago, while shipments of Class 6 and 7 Mid-Liner vehicles were up 47 percent.

Parts and service sales increased 23 percent over the year-earlier period, he added.

For the first nine months, net income amounted to approximately $55.8 million, the spokesman said, compared with a net loss of $30.5 million in the like period a year ago.

He added that net income for the January - September period included approximately $22.4 million of tax benefits related to the DISC subsidiary and the utilization of tax loss carry forwards.

Nine-month net sales amounted to approximately $1.5 billion, an increase of 75 percent over the $859.5 million reported in the comparable period a year ago.

IH will produce lighter Paystar for tough service

CHICAGO. — The Paystar F-5070 Weight Watcher, a lightweight severe-service heavy truck, will go into production in January in its Canadian plant in Chatham, Ont., according to International Harvester's Truck Group.

Thomas Dougherty, marketing vice president, said the Weight Watcher "offers severe-service customers weight savings without sacrificing the muscle they need to get the job done.

"With some versions weighing as low as 13,950 pounds," he added, "this model still gives users the durability they expect from the Paystar line. Its sloping hood helps give it unmatched visibility from the roomiest cab in its class."

Dougherty noted a number of major design refinements in the Weight Watcher model:

An improved premium aluminum cab with new sealer adhesives that he said increase cab strength up to eight times, and a reinforced roof panel.

A heavy-duty Donaldson air cleaner installed under the hood.

Improved battery box and surge-tank mountings.

All steel crossmembers and gussets for increased reliability.

A standard 27-inch integral front-frame extension and Cummins L10 engines in both 240 and 270-HP versions.

Collins wins contract

HUTCHINSON, Kans. — Collins Industries here announced federal government contracts calling for purchase of 22 of its ambulances and two terminal trucks, valued altogether at approximately $660,000.

New Paystar is a 'weight watcher'

The Weight Watcher is what International Harvester calls its new lightweight, severe-service truck. Some versions of the Paystar F-5070 weigh as little as 13,950 pounds yet still provide superb durability, according to Harvester.

truck industry news

Truck tallies soar to nine-month high of nearly 3 million

Nine-month registrations of new trucks of all types in the U. S. were the highest in industry history, topping the previous mark set in 1978 by slightly more than 11,000 units.

Through September, according to R. L. Polk & Co. statistics,

Table on Page 40.

2,994,962 trucks were registered, 11,115 more than the nine-month total of 2,983,847 six years ago, and 40.8 percent greater than last year's 2,127,031 units.

September tallies also set a record for the month. The total was 357,465 units, 6.8 percent higher than the 334,731 registered in the same month in 1978 and an increase of 43.5 percent over last year's 249,084.

Registrations through September were up sharply over last year in the three major market segments and all weight groups. Only light trucks, however, topped the nine-month count six years ago, and this year's total hit an alltime high.

In the January-September period, 2,811,378 light trucks were registered, an increase of 40.5 percent over the year-ago 2,000,637 and 3.4 percent greater than the previous high of 2,718,690 established six years ago.

Medium trucks through September were up 20.2 percent to 41,836 units, compared with 34,810 last year. But they were down 65.3 percent from the 121,983 units registered in the like period in 1978.

The heavy-truck total for the nine months was 54.8 percent higher than a year ago, 141,748 versus 91,584, and only one percent off the 1978 count of 143,174 units. The nine-month high of 161,388 heavies was set in 1979.

Group 1 registrations through September were up 42.5 percent over last year, from 1,133,409 units in 1983 to 1,615,086. They were 93.2 percent higher than the 836,036 tallied six years ago,

Continued on Page 44, Col. 1

HD registrations for nine months rise 54.8 percent

Registrations of new heavy trucks in the U. S. during the first nine months of 1984 totaled 141,748 units, according to R. L. Polk & Co. statistics, an increase of 54.8 percent over the year-ago 91,584 units.

In September, 19,169 vehicles were registered, a gain of 45.12

Continued on Page 44, Col. 5

U. S. TRUCK REGISTRATIONS

NINE MONTHS, 1984 VS. 1983★

Make	9 mos., 1984	Percent Share of '84 market	9 mos., 1983	Percent Share of '83 market	Pct. pt. Change, '84-'83
Ford	859,520	28.70	670,317	31.52	+ 2.82
Chevrolet	818,635	27.33	643,479	30.25	− 2.92
Dodge	310,223	10.36	184,451	8.67	+ 1.69
GMC	225,904	7.54	179,947	8.46	− 0.92
Jeep	104,652	3.49	48,921	2.30	+ 1.19
Plymouth	57,896	1.93	6,597	0.31	+ 1.62
International	47,912	1.60	36,562	1.72	− 0.12
Mack	17,955	0.60	11,138	0.52	+ 0.08
Freightliner	11,470	0.38	7,622	0.36	+ 0.02
Kenworth	10,147	0.34	4,973	0.23	+ 0.11
Peterbilt	9,123	0.31	5,322	0.25	+ 0.06
White	4,796	0.16	1,659	0.08	+ 0.08
Mercedes	1,692	0.06	2,077	0.10	− 0.04
Volvo	1,385	0.05	1,133	0.05	.....
Autocar	946	0.03	658	0.03	.....
Western Star	476	0.02	228	0.01	+ 0.01
Miscellaneous	512,230	17.10	321,947	15.14	+ 1.96
TOTALS	2,994,962	100.00	2,127,031	100.00	.....

★—New York and Oklahoma for 1984 compiled from manufacturers' sales records; Utah, September, 1984, delayed; no registrations for Oklahoma, 1983; Kentucky and New Mexico, September, 1983.
*Plymouth trucks are Trail Duster, Voyager, Scamp and Arrow.
**Miscellaneous includes imports, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.

U. S. HEAVY-DUTY REGISTRATIONS

NINE MONTHS, 1984 VS. 1983★

Make	9 mos., 1984	Percent Share of '84 market	9 mos., 1983	Percent Share of '83 market	Pct. pt. Change, '84-'83
International	32,151	22.68	22,120	24.15	− 1.47
Ford	27,916	19.69	19,348	21.13	− 1.44
GMC	18,946	13.37	11,844	12.93	+ 0.43
Mack	15,407	10.87	9,524	10.40	+ 0.47
Freightliner	11,470	8.09	7,622	8.32	− 0.22
Kenworth	10,147	7.16	4,973	5.43	+ 1.73
Peterbilt	9,123	6.44	5,322	5.81	+ 0.63
Chevrolet	7,325	5.17	5,609	6.12	− 0.95
White	4,796	3.38	1,569	1.81	+ 1.57
Volvo	1,385	0.98	1,133	1.24	− 0.26
Autocar	946	0.67	658	0.72	− 0.05
Mercedes-Benz	661	0.47	721	0.79	− 0.32
Western Star	476	0.33	228	0.25	+ 0.08
Miscellaneous	999	0.70	823	0.90	− 0.20
TOTALS	141,748	100.00	91,584	100.00	.....

★—Groups 7 and 8 trucks only; New York and Oklahoma for 1984 compiled from manufacturers' sales records; Utah, September, 1984, delayed; no registrations for Oklahoma, 1983; Kentucky and New Mexico, September, 1983.

Toyota reduces output forecast to 3.37 million

TOKYO.—Toyota, which was set to increase output this year, is now expecting to exceed last year's figure only by a very small margin.

Shoichiro Toyoda, Toyota president, told AUTOMOTIVE NEWS in Tokyo that when domestic sales were increasing in the early half of the year, the schedule for the second half of the year was increased.

In recent months, though, sales have fallen in Japan, so Toyota has revised its forecast back to the earlier level.

Last year, Toyota produced 3.27 million vehicles, and initially it forecast output of 3.37 million for this year. Later, this was increased to more than 3.4 million, but that level is now considered unattainable.

Scarritt is silver

Frank Scarritt Jr., left, Scarritt Lincoln-Mercury, Inc., St. Petersburg, Fla., receives a 25-year-dealer plaque from Ronald N. Ford, assistant sales manager of Lincoln-Mercury's Jacksonville district.

Less-developed countries seen taking larger share

Steel-producing outlook charted

Even the Japanese are not immune to long-range trends now taking shape in world steel markets.

A recent study indicates Japan faces a future of reduced steel-making capacity and production as less-developed countries tap into the business.

"The recent past has fundamentally altered expectations, attitudes, policies, and even the forecasts of the world industry," says John Jacobson, director of Chase Econometrics' Steel Services. "Steel executives now long for the days when they devoted their attention to planning for the impending world steel shortages. Of course, since 1979, steel producers in the U.S., Western Europe and even Japan have had to address their attention to cutting back on facilities, personnel, and raw materials requirements rather than deciding where to build a new steel plant.

"We believe the reductions in steel operations undertaken thus far are necessary but not sufficient to get the level of steel supply into line with expected levels of steel demand." Jacobson says.

"It will take a further reduction of 15-20 million tonnes of U.S. steelmaking capacity between now and 1986 to get the U.S. capacity utilization rate up to 80 percent. The European Economic Community will also have to slash steelmaking capacity by 35-40 million tonnes between now and 1986 to achieve a capacity utilization rate in the 75 percent range.

"Additionally, it is now clear that Japan will also reduce steelmaking by 5-10 million tonnes between now and 1986 just to achieve a 70 percent utilization rate," says Jacobson.

"At the other end of the spectrum, less developed countries will add nearly 20 million tonnes between 1983 and 1986 and more than 30 million tonnes by 1990, Jacobson says.

• "The primary element of any steel shortage scenario has been a forecast for strong growth in steel demand," Jacobson says. "As late as mid-1980 some analysts placed a 70 percent probability on a non-Socialist world steel shortage by 1984 based on a 2.0-2.5 percent annual growth in demand. Unfortunately, apparent steel consumption declined an average 3.6 percent between 1980 and 1983 in the non-Socialist world. We continue to believe there is little or no chance of a general steel shortage."

Effective planning in the steel industry of the 1980s will require constant attention to economic, trade, technology and market developments on a worldwide basis," adds Jacobson. "Among the vital issues to watch are the U. S. budget deficit, fluctuations in interest rates, government trade sanctions, increased use of continuous casting, growth in direct-reduced iron technology, product downsizing and material substitution."

The following tables summarize Chase Econometric's current estimates of apparent steel consumption growth and steelmaking capacity.

Apparent Steel Consumption

(Average Annual Growth—%)

	1980-1985	1985-1990	1990-1995
EEC	−3.4%	2.7%	1.3%
Japan	−1.7	2.6	1.0
USA	0.0	1.4	0.7
Advanced industrial countries	−1.4	2.1	1.2
Less developed countries	1.0	6.1	5.3
Non-Socialist world	−0.8	3.2	2.4
Centrally planned economies	0.7	1.6	2.0
World	−0.3	2.8	2.3

Crude Steelmaking Capacity

(Million Tonnes)

	Advanced Industrial Countries	Less Developed Countries
1979	617	80
1980	598	81
1981	591	82
1982	581	88
1983	560	90
1984	536	96
1985	513	106
1990	508	150

Missouri dealer elected to state treasurer's post

ST. LOUIS. — Wendell Bailey, a Willow Springs auto dealer and the Republican candidate for state treasurer, triumphed in a close race with Democrat Thomas A. Villa, majority leader of the Missouri House.

Bailey, 44, is a former Congressman and served eight years in the Missouri House. He is head of a Pontiac-GMC-AMC/Jeep/Renault dealership.

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Runzheimer studies fleet ownership-operating costs

Stick shift called $206 cheaper

By Francis J. Gawronski

It costs less to own and operate a fleet car with a manual transmission than a car equipped with an automatic, according to Runzheimer International, the management consulting firm based in Rochester, Wis.

The total average annual costs differ by $205 for manual vs. automatic transmission (see table). The figure came from a cost analysis of selected compact and subcompact 1984 models released by the research firm's newsletter, Runzheimer Reports on Transportation.

Runzheimer's transportation analysts selected four models and evaluated them on the basis of variable costs such as gasoline, oil, tires and maintenance; and fixed costs which include licensing, depreciation, financing, taxes and insurance.

Runzheimer said all costs were based on a three-year/60,000-mile tradein cycle.

Average annual operating cost savings with manual transmission were said to be considerable—$113 per year, mostly due to the increased per mile gasoline savings.

Average annual ownership cost savings realized by choosing a manual transmission rather than an automatic amount to $93, the survey found, mostly due to the higher purchase price of cars equipped with the automatic.

• In sum, Runzheimer noted, a fleet can save $206 per year by maneuvering with manual transmissions. Over a three-year cycle, the total saved amounts to $618 for a single car. Multiply that savings by a mere 50 cars and a fleet budget can cut costs up to $30,900, the firm said.

Runzheimer said the model showing the greatest cost difference is the American Motors Encore S with manual transmission which costs $355 less to own and operate at $3,485 per year than with the automatic transmission model which costs $3,840 (see table).

The Runzheimer newsletter concluded that in addition to shifting convenience and purchasing tradition, cost alsc should be a factor when weighing manual transmission against automatic transmission.

Of course, noted Runzheimer editors, for those who don't know how to shift a manual transmission, cost may be no object.

Elsewhere, David R. Parker has joined Ryder System, Inc., Miami, as senior executive vice president and chief operating officer—business service group. He previously was executive vice president and sector executive for packaging for American Can Co.

AVERAGE ANNUAL TRANSMISSION COSTS

Automatic vs. manual

Transmission	Average Annual Costs: Operating	Ownership	Total	Cost Comparison
Automatic	$1,323	$2,547	$3,870	+ $206
Manual	1,210	2,454	3,664	

Averages based on cars itemized in Table 2 and specified basis.

PROJECTED AVERAGE ANNUAL COSTS

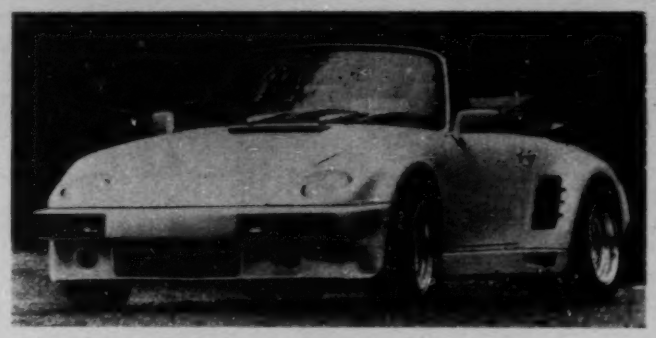
Automatic vs. manual transmission

Make	Transmission	Average Annual Costs: Operating	Ownership	Total	Cost Comparison
Ford Tempo,	Automatic	$1,520	$2,659	$4,179	+ $157
	Manual	1,440	2,582	4,022	
Plymouth Reliant,	Automatic	1,240	2,677	3,917	+ $180
	Manual	1,150	2,587	3,737	
AMC Encore S,	Automatic	1,380	2,460	3,840	+ $355
	Manual	1,150	2,335	3,485	
Chevrolet Cavalier,	Automatic	1,150	2,390	3,540	+ $128
	Manual	1,100	2,312	3,412	

Basis: Except for the transmission distinction, all cars are similarly equipped, including PS, PB, AC, tinted glass, AM radio. Ownership expenses include licensing, depreciation based on a vehicle retention cycle of 3 years/60,000 miles, financing, taxes and insurance. Operating expenses include oil, maintenance, tires and fuel.

Note: Costs vary among geographic locations so these average figures should be used only as a guide.

Source: Runzheimer, Rochester, Wis.



Fiber Designs imports Rinspeed parts

Fiber Designs, Brea, Calif., manufacturer of Kaminari styling and performance accessories, is importing Rinspeed styling components into the U. S. The components are for Porsche, Mercedes-Benz and Lamborghini models.

Volvo prices up $235-$770; Lambda Sond is standard

ROCKLEIGH, N. J. — Volvo North America Corp. has increased prices of its U.S. models $235 to $770 for '85. The Lambda Sond emission control system is included in the '85 prices; it was $137 and $158 extra on various '84 models.

Prices of the '85s range from $12,940 for the DL four-door sedan to $23,060 for the 760 Turbo four-door sedan with automatic transmission.

New for '85 are the 740 four-door sedans. The 740 GLE is $16,845 and the 740 Turbo is $19,045. Automatic transmission is $395 extra on the GLE and $435 extra on the Turbo.

In the DL series, the four-door sedan is $12,940 (up $630) and the wagon is $13,415 (up $680). In the GL line, the sedan is $15,985 and the wagon is $16,515. The hikes are $555 on the sedan and $530 on the wagon.

After November, air conditioning will be installed on all DL models at an additional price of $890.

Turbo models had the smallest increases. The sedan is $18,420 (up $260) and the wagon is $18,950 (up $235).

The top-line 760 series starts at $21,485 for the GLE automatic. It's up $260.

The 760 Turbo prices are $22,625 with manual transmission (up $725) and $23,060 with automatic (up $770). The 760 turbodiesel will continue to be built as an '84 model through December. The price stays at $22,470. All 760 models are four-door sedans.

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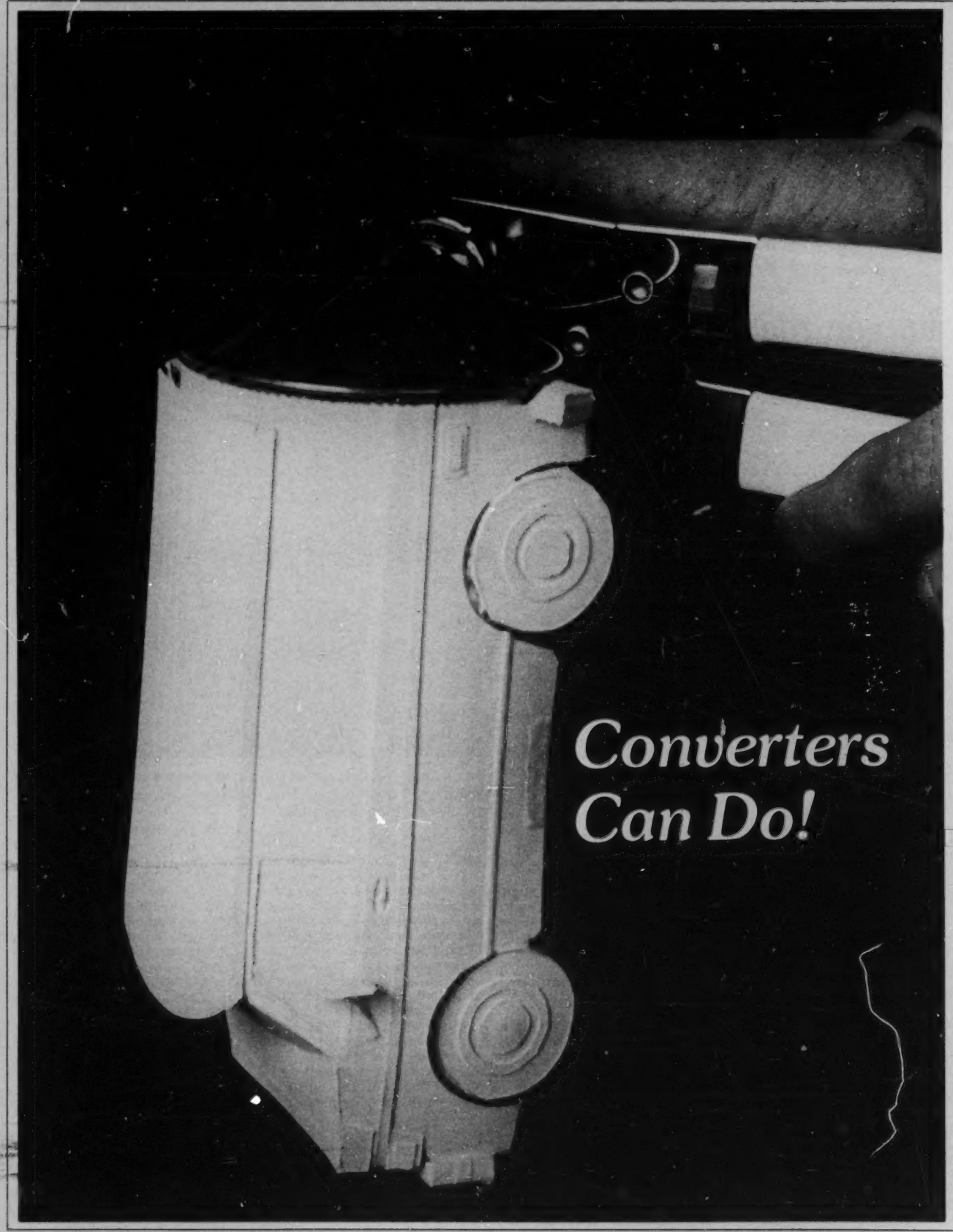
Automotive News

EXTRA

November 26, 1984

LEISURE MOTOR VEHICLES



Cover design by Jeff Dworin. Photo by Joe Wilssens.

Market will keep poppin'

Firms bullish about '85, survey indicates

By Al Fleming
Industry Editor

How are van conversion manufacturers doing this year? Just fine, thanks. And 1985 will be another "can do" year for the industry.

That's indicated by an AUTOMOTIVE NEWS survey of U. S. van conversion companies nationwide.

Conducted in late October and early November, the up-to-the-minute poll of the nation's van modifiers detects an optimistic mood that, it's projected, will be translated into an industry sales increase of 33 percent in the coming calendar year.

The survey drew responses from van conversion companies in 23 states: Alabama, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, South Dakota, Texas, Utah, Washington and Wisconsin.

The study examined such factors as past, current and projected shipments by van converters, company profiles, types and brands of vehicles converted, and price information.

When asked about their estimated shipments of conversion vans to dealers in 1984, 75 percent said they will be higher than in 1983. Looking toward the coming year, 73 percent predicted even more shipments than this year.

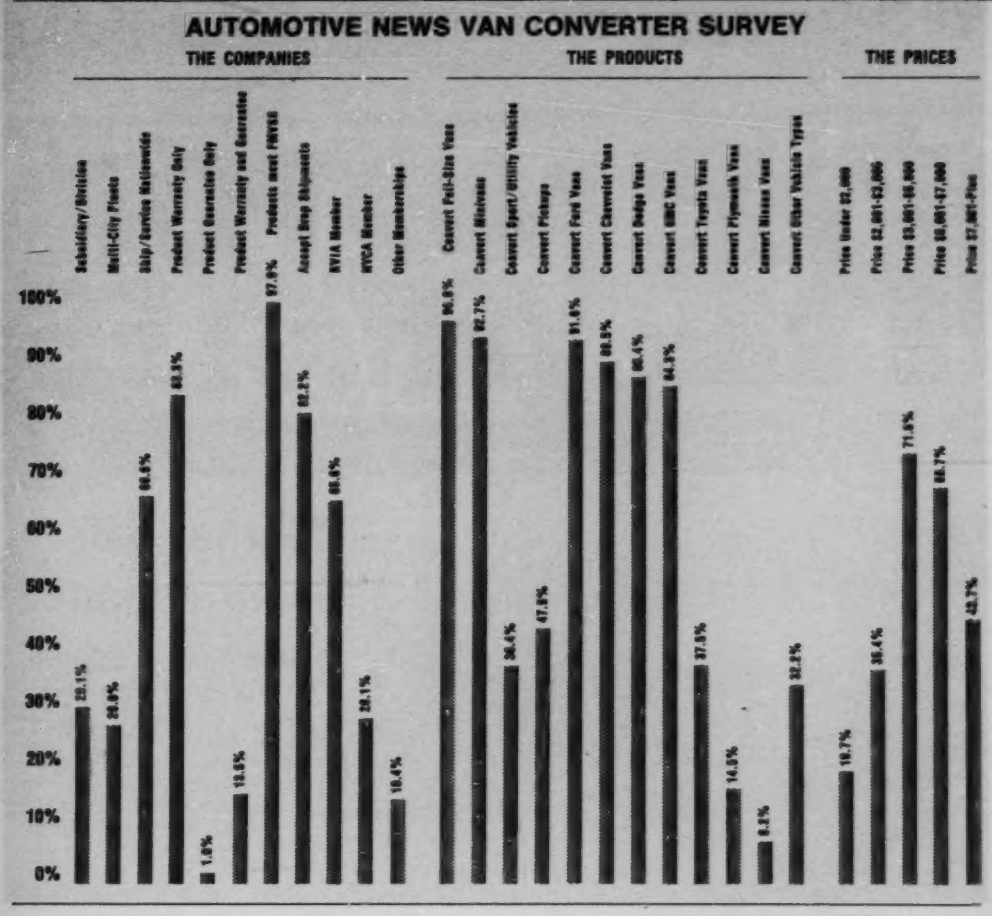
Based on data provided by the survey, AUTOMOTIVE NEWS projects that the median-size converter firm in the U. S. will sell 750 van jobs in 1984 compared to 543 in 1983, and 1,000 units in 1985. Those are increases of 38 percent this year and 33 percent next year.

The survey responses further indicate the relative youthfulness of the business. The average founding date of companies responding was 1975.

The survey also noted that 29 percent of the van conversion firms are divisions or subsidiaries of larger companies, and 26 percent have production facilities in more than one city.

Moreover, 66 percent of the companies ship and service their products nationwide, even though 66 percent are headquartered in just four

Continued on Page E-2



Smaller cars make van market bigger

Starcraft's Cuzzocrea: 'Continual downsizing of cars can only help'

By Jack Walsh
Truck & RV Editor

Van conversions have been on a roll since the start of the downsizing of automobiles to comply with the federal government's tough fuel-economy requirements, and industry leaders see even rosier prospects in the years ahead.

There has been some softening in the conversion market since August, but for the most part it's considered a seasonal lull with an upturn likely after the first of the year.

There also is speculation that buyers may be waiting to see what converters will do with the General Motors and Ford minivans and how they will be priced in comparison with conventional units, many of which are not within reach of less-affluent prospects.

The GM minis — Chevrolet Astro and GMC Safari — will not be available in volume until the first quarter of 1985, while Ford Aerostar won't go into production until May.

"Van conversions currently are off about 10 percent," said John F. Sillick, Chevrolet special vehicles manager. "A lot of people, I think, are waiting on our M-vans (the minis). We should see an upturn in the market after the first of the year."

• James E. Lynch, special vehicle sales manager, Chrysler Corp. truck operations, sees no cause for alarm in the current market pause.

"This isn't the prime selling season for the van conversion," he said. "It's a personalized vehicle, bought generally in the spring and early summer. There should be a very strong comeback between February and May."

He added that van converters "are doing much better today in the way they do business. In the last two years, they've become much more professional in selling, customer service and followup. Their marketing strategies have improved vastly."

Dave Tarrant, Ford Division special vehicles sales manager, reported an increase in sales of van conversions in October after a lull in August and September, and said he looks for a good year in 1985.

"Van converters, however, will be facing much stiffer competition in the years ahead," he said. "Product quality and service excellence will be vital to their success."

The outlook is excellent for both the long and short term, according to executives of leading van-conversion firms.

"We are here for the long haul," commented Scott T. Chapman, president, Bivouac Automative Corp., Vandalia, Mich.

Bivouac's Chapman projects minivans will 'double our business in the next decade.'

"The van conversion industry over the last 20 years has grown and will continue to grow into a stronger force in the marketplace as long as we keep the integrity in our product," he said.

"We must strive to build this integrity with our suppliers, dealers and eventual customers."

Chapman noted that "there are far too many converters in the van conversion business today that are not committed to product integrity.

"However, we project that there will be fewer of these companies remaining in business, mainly because of their inability to meet the demands of high technology required by the motor companies and their ultimate consumers.

"Proof of this lies in the fact that we are currently experiencing our third shakeout within the last 15 years," he added.

Don Cuzzocrea, president, Starcraft Co., Topeka, Ind., said "the outlook for 1985 and balance of the decade is favorable for the high-quality luxury van.

"This type of vehicle has now established a solid market foothold with the upper middle class in the U.S. and Canada," he added. "The continual downsizing of autos can only help the van-conversion market, since people are not being downsized.

• "The only way that more than four people can be transported in comfortable luxury is in a van or motor home," Cuzzocrea said. "Motor homes will continue to sell well, but the true replacement for the no-longer-available full-size car is the van conversion."

Roland Doane, general manager, Universal Motor Coach, Sturgis, Mich., said "we see a very positive future for ourselves and our industry in general.

"We are beginning to implement a unique marketing and sales philosophy," he added. "This philosophy is targeted toward better communications and service with and for our dealer organization and a quality product packed with value for the consumer."

Both manufacturers and converters expect the minivans to provide plus business.

"We see this (the minivan segment) as another opportunity to fill a void in the marketplace," said Bivouac's Chapman. "Our projections are that this new product will double our business in the next decade.

"We will do this by developing a conversion that is unique in the industry both in design and function," he continued. "To date, our industry hasn't filled that void; however, the years ahead will give us the opportunity to experiment and find the proper package that meets that end."

Starcraft's Cuzzocrea noted that the minivan "will capture a large share of the automotive market, but it remains to be seen whether the conversion market will provide the bulk of the sales.

"Early indications are that total prices of the minis will be much more sensitive than with the full-size models," he said. "This reflects the differing income levels of the buyers. Also, although more roomy than automobiles, minivans simply lack the space of the full-size units."

Although there will be a market for the converted minis, Cuzzocrea added, "the opinion here is that full-size luxury vans will be the focus of the conversion industry.

"The successful companies," he said, "will be the ones with an unblemished record of delivering innovative, high-quality, attractive units in a variety of price ranges."

Future product changes, in Cuzzocrea's opinion, will be directed at making the converted van "more automotive and less truck or RV.

"The buyer of the late '80s will want every option available on his car to be available on his van," he said. "To that same end, we would like to see the chassis manufacturers increase engine performance and braking requirements."

Survey

Continued from Page E-1

states — California, Indiana, Michigan and Texas.

Although it may seem paradoxical, not all van converters convert all kinds of vans. Of those surveyed, 96 percent said they work on conventionally sized vans, 92 percent turn out minivan conversions, 47 percent do pickup truck alterations, 37 percent handle sport-utility vehicles and 32 percent are involved in miscellaneous products including limousines, motorhomes, medium-size trucks, buses, campers, funeral coaches, passenger cars and vehicles for the handicapped.

The most popular van conversion nameplate, by a slight margin, is Ford, with 91 percent of the conversion companies handling that line. It is followed by Chevrolet (89 percent), Dodge (85 percent), GMC (84 percent), Toyota (37 percent), Plymouth (37 percent) and Nissan (6 percent).

It is significant that the converter group is adhering to government vehicle safety mandates by and large. Of those queried, 97 percent said their products meet Federal Motor Vehicle Safety Standards (FMVSS).

The fact that less than 3 percent of survey respondents said their van conversions do not meet FMVSS regulations also can be attributable to van conversion safety programs inaugurated by industry associations (story Page E-19).

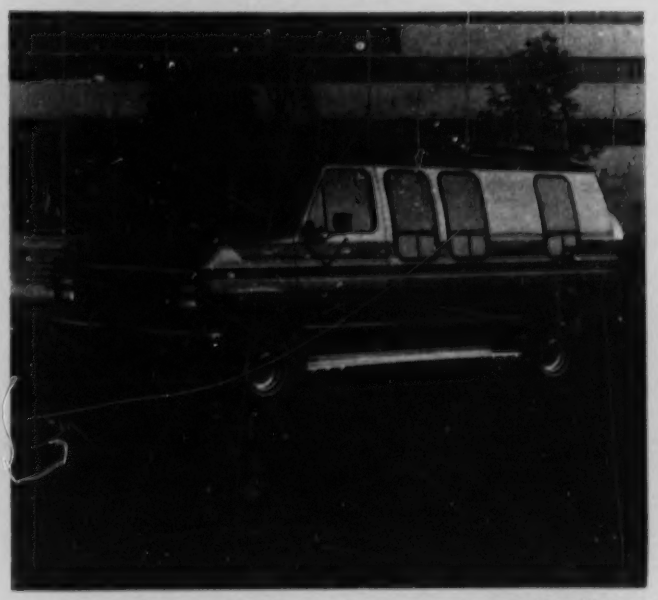
The survey responses also showed that 96 percent of van converters provide warranties with their products, 14 percent provide guarantees and 13 percent offer both a warranty and guarantee.

Regarding conversion cost, of the companies surveyed, 19 percent said they offer conversion packages to dealers (not including chassis price) for less than $2,000; 35 percent sell packages in the $2,001-$3,000 category; 71 percent $3,001-$5,000; 68 percent $5,001-$7,000; and 43 percent $7,001 and up.

Most (84 percent) of the companies said they accept drop shipments of vehicles.

It is estimated that about 20 percent of conversion vans are drop-shipped. Some converters offer special incentives—discounts on the conversion package, cash, trips or other prizes—to get dealers to have their vans drop-shipped to the converter (story Page E-16).

Despite the volatile character of the van conversion market, there is evidence of companies uniting in a common industry bond: 65 percent said they are members of the Recreation Vehicle Industry Assn., 28 percent claimed affiliation with the National Van Conversion Assn., Inc., and 10 percent are members of other state and local motor-vehicle related organizations.



More than 91 percent of van converters surveyed said they handle Ford products. This full-size Ford van conversion is by Sands Industries Inc.

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NEW TRUCK SALES BY MAKE AND GVW CLASS

NINE MONTHS, 1984 VS. 1983★

		Group 1 6,000 pounds and less	Group 2 6,001-10,000	Group 3 10,000-14,000	Group 4 14,001-16,000	Group 5 16,001-19,500	Group 6 19,501-26,000	Group 7 26,001-33,000	Group 8 33,001 and over	Make Totals
AUTOCAR	Sept. '84	.....	.....	.....	.....	.....	.....	.....	133	133
	Sept. '83	.....	.....	.....	.....	.....	.....	.....	86	86
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	946	946
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	658	658
CHEVROLET	Sept. '84	46,345	40,888	2,528	.....	23	1,145	1,106	91	92,126
	Sept. '83	39,710	26,625	2,613	.....	31	608	835	47	70,469
	Year to Date '84	415,664	363,063	27,231	.....	178	5,174	6,831	494	818,635
	Year to Date '83	350,591	269,402	13,508	.....	206	4,163	5,257	352	643,479
(Memo Units) #	Sept. '84	30,523	16,877	.....	.....	.....	.....	.....	.....	47,400
	Sept. '83	25,418	10,836	.....	.....	.....	.....	.....	.....	36,254
	Year to Date '84	284,106	149,690	.....	.....	.....	.....	.....	.....	433,796
	Year to Date '83	235,739	112,323	.....	.....	.....	.....	.....	.....	348,062
DODGE	Sept. '84	26,037	11,150	.....	.....	.....	.....	.....	.....	37,187
	Sept. '83	12,637	7,194	.....	.....	.....	.....	.....	.....	19,831
	Year to Date '84	207,540	102,683	.....	.....	.....	.....	.....	.....	310,223
	Year to Date '83	110,843	73,608	.....	.....	.....	.....	.....	.....	184,451
(Memo Units) #	Sept. '84	19,081	6,819	.....	.....	.....	.....	.....	.....	25,900
	Sept. '83	8,103	5,545	.....	.....	.....	.....	.....	.....	13,648
	Year to Date '84	149,828	64,518	.....	.....	.....	.....	.....	.....	214,346
	Year to Date '83	70,252	53,953	.....	.....	.....	.....	.....	.....	124,205
FORD	Sept. '84	28,125	66,003	.....	.....	.....	1,185	2,291	1,074	98,578
	Sept. '83	28,086	44,657	.....	.....	.....	1,119	1,803	643	76,308
	Year to Date '84	242,193	580,044	.....	.....	.....	9,367	19,126	8,790	859,520
	Year to Date '83	245,725	397,363	.....	.....	.....	7,881	13,797	5,551	670,317
(Memo Units) #	Sept. '84	28,059	20,226	.....	.....	.....	.....	.....	.....	48,285
	Sept. '83	22,179	16,705	.....	.....	.....	.....	.....	.....	38,884
	Year to Date '84	238,375	186,763	.....	.....	.....	.....	.....	.....	425,138
	Year to Date '83	189,122	152,609	.....	.....	.....	.....	.....	.....	341,731
FREIGHTLINER	Sept. '84	.....	.....	.....	.....	.....	.....	.....	1,701	1,701
	Sept. '83	.....	.....	.....	.....	.....	.....	.....	1,194	1,194
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	11,470	11,470
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	7,622	7,622
GMC	Sept. '84	11,470	10,585	222	.....	505	1,024	1,121	1,370	26,297
	Sept. '83	8,128	8,133	115	.....	55	925	689	1,023	19,068
	Year to Date '84	98,348	100,229	1,201	.....	2,418	4,762	9,594	9,352	225,904
	Year to Date '83	78,087	84,672	453	.....	234	4,657	6,557	5,287	179,947
(Memo Units) #	Sept. '84	6,767	4,234	.....	.....	.....	.....	.....	.....	11,001
	Sept. '83	4,543	3,589	.....	.....	.....	.....	.....	.....	8,132
	Year to Date '84	60,470	37,443	.....	.....	.....	.....	.....	.....	97,913
	Year to Date '83	47,243	35,387	.....	.....	.....	.....	.....	.....	82,630
INTERNATIONAL	Sept. '84	.....	.....	.....	.....	.....	2,927	1,287	2,795	7,009
	Sept. '83	.....	.....	.....	.....	.....	2,268	987	1,976	5,231
	Year to Date '84	.....	.....	.....	.....	.....	15,761	10,947	21,204	47,912
	Year to Date '83	.....	.....	.....	.....	.....	14,442	8,266	13,854	36,562
JEEP	Sept. '84	11,598	1,973	.....	.....	.....	.....	.....	.....	13,571
	Sept. '83	3,652	1,856	.....	.....	.....	.....	.....	.....	5,508
	Year to Date '84	89,278	15,374	.....	.....	.....	.....	.....	.....	104,652
	Year to Date '83	29,827	19,094	.....	.....	.....	.....	.....	.....	48,921
(Memo Units) #	Sept. '84	11,598	1,745	.....	.....	.....	.....	.....	.....	13,343
	Sept. '83	3,652	1,608	.....	.....	.....	.....	.....	.....	5,260
	Year to Date '84	89,278	12,871	.....	.....	.....	.....	.....	.....	102,149
	Year to Date '83	29,827	16,136	.....	.....	.....	.....	.....	.....	45,963
KENWORTH	Sept. '84	.....	.....	.....	.....	.....	.....	.....	1,531	1,531
	Sept. '83	.....	.....	.....	.....	.....	.....	.....	851	851
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	10,147	10,147
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	4,973	4,973
MACK	Sept. '84	.....	.....	.....	.....	.....	339	132	2,346	2,817
	Sept. '83	.....	.....	.....	.....	.....	221	83	1,270	1,574
	Year to Date '84	.....	.....	.....	.....	.....	2,548	526	14,881	17,955
	Year to Date '83	.....	.....	.....	.....	.....	1,614	740	8,784	11,138
MERCEDES-BENZ	Sept. '84	.....	.....	.....	.....	.....	169	136	.....	305
	Sept. '83	.....	.....	.....	.....	.....	203	105	.....	308
	Year to Date '84	.....	.....	.....	.....	.....	1,031	661	.....	1,692
	Year to Date '83	.....	.....	.....	.....	.....	1,356	721	.....	2,077
PETERBILT	Sept. '84	.....	.....	.....	.....	.....	.....	.....	1,021	1,021
	Sept. '83	.....	.....	.....	.....	.....	.....	.....	1,051	1,051
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	9,123	9,123
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	5,322	5,322
PLYMOUTH	Sept. '84	6,570	7	.....	.....	.....	.....	.....	.....	6,577
	Sept. '83	199	167	.....	.....	.....	.....	.....	.....	366
	Year to Date '84	57,783	113	.....	.....	.....	.....	.....	.....	57,896
	Year to Date '83	3,478	3,119	.....	.....	.....	.....	.....	.....	6,597
VOLVO	Sept. '84	.....	.....	.....	.....	.....	.....	127	51	178
	Sept. '83	.....	.....	.....	.....	.....	.....	94	66	160
	Year to Date '84	.....	.....	.....	.....	.....	.....	986	419	1,385
	Year to Date '83	.....	.....	.....	.....	.....	.....	690	443	1,133
WESTERN STAR	Sept. '84	.....	.....	.....	.....	.....	.....	.....	131	131
	Sept. '83	.....	.....	.....	.....	.....	.....	.....	31	31
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	476	476
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	228	228
WHITE	Sept. '84	.....	.....	.....	.....	.....	.....	.....	550	550
	Sept. '83	.....	.....	.....	.....	.....	.....	.....	277	277
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	4,796	4,796
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	1,659	1,659
MISCELLANEOUS*	Sept. '84	66,324	1,023	42	69	3	17	48	127	67,653
	Sept. '83	45,892	749	.....	36	1	.....	19	74	46,771
	Year to Date '84	504,280	6,152	202	524	3	70	149	849	512,230
	Year to Date '83	314,858	6,007	2	250	7	.....	184	639	321,947
TOTALS	Sept. '84	196,469	131,629	2,792	69	531	6,806	6,248	12,921	357,465
	Sept. '83	138,304	89,381	2,728	36	87	5,344	4,615	8,589	249,084
	Year to Date '84	1,615,086	1,167,658	28,634	524	2,599	38,713	48,801	92,947	2,994,962
	Year to Date '83	1,133,409	853,265	13,963	250	447	34,113	36,212	55,372	2,127,031

★—New York and Oklahoma for 1984 compiled from manufacturers' sales records; Utah, September, 1984, delayed; no registrations for Oklahoma, 1983; Kentucky and New Mexico, September, 1983.

#—Memo units are trucks which are part of the total listed above each entry. Chevrolet memo units are Chevy-Van, El Camino and Blazer; Dodge, compact trucks; Ford, Econoline and Bronco; GMC, Vandura and Jimmy. *—Miscellaneous includes imports, Divco, Hendrickson, Oshkosh, etc.

—Compiled from R. L. Polk & Co. data

9-month total tops 1978 by more than 11,000 units

Truck registrations hit new high

Continued from Page 16

reflecting the surge in popularity of the compact trucks.

There also has been a significant change in Group 2 tallies since 1978. While this year's nine-month total of 1,167,658 was 36.8 percent higher than the year-ago 853,265, the count was 36.8 percent lower than the 1,847,299 units registered in 1978.

Group 3 tallies this year were more than double last year's, 28,634 versus 13,963. But they were 19 percent below the 35,355 vehicles registered in the like period six years ago.

Group 4 tallies through September totaled 524 units, up 109.6 percent over last year's 250, and 95.1 percent below the 10,679 vehicles registered six years ago.

The Group 5 count this year was higher than both the 1983 and 1978 totals. Through September, 2,599 units were tallied, compared with only 447 a year ago and 2,299 in 1978.

The increase in dieselization of Group 6 trucks has caused a big shift in registrations in this weight class since 1978.

The nine-month count was 38,713, down 64.5 percent from the 109,005 units tallied in 1978, but was up 13.5 percent from last year's 34,113 units.

Group 7 is the benefactor in the switch from gasoline power to the heavier diesel in Group 6 trucks.

Through September, the total was 48,801, a gain of 34.8 percent over last year's 36,212 and 72.7 percent higher than the 28,252 registered six years ago.

Nine-month Group 8 trucks were up dramatically from a year ago, but down from the like period in 1978.

The total this year was 92,947 units, 67.9 percent higher than the year-ago 55,372, but 19.1 percent below the 114,922 heavies registered in the same period six years ago.

For outstanding service performance

Harlan A. Haywood, second from right, Eastern regional sales manager for AMC/Jeep/Renault presents the American Motors Performance Masters Award for outstanding service performance for the Eastern region, for the first quarter of 1984, to Tom Leaman, district three (Allentown-Bethlehem-Eastern Pennsylvania area) service manager. Bernie J. Critelli, right, Philadelphia zone manager, and Marvin S. Johnson, left, zone parts and service manager, join them.

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Fruehauf reports record sales, net in third quarter

DETROIT. — Fruehauf Corp. reported the highest third-quarter sales and net earnings in its history, according to Robert D. Rowan, chairman.

Net earnings for the quarter ended Sept. 30 totaled $21.4 million, an increase of 262 percent over last year's $5.9 million. Sales of $704 million were up 25 percent over the $563 million reported in the comparable quarter of 1983.

Sales of the trailer operations during the third quarter were more than 40 percent higher than the comparable quarter of 1983, Rowan said, and automotive operations also continued strong, with sales 13 percent higher than the third quarter of 1983.

Net earnings for the first nine months totaled $62.7 million on sales of $2.1 billion. This compares with a net loss of $10.6 million on sales of $1.5 billion for the first nine months of 1983.

Fruehauf Finance Co. reported net earnings of $5.4 million during the third quarter, up 35 percent from $4 million in the same quarter last year. Finance revenue totaled $22.5 million, a gain of 26.4 percent over last year's $17.8 million. Nine-month net earnings were $14.9 million, up 22.1 percent from the $12.2 million recorded in the same period in 1983.

Rowan indicated Fruehauf looks for continued strong performance in the near future.

"Our 1984 sales and operating earnings will be the highest in Fruehauf's history, and net earnings have an excellent chance of approximating the $88.7 million record set in 1979, which included $4 million of foreign exchange translation gains," he said.

Performance engine for Honda CR-X

Honda's CR-X is offered in Japan with a four-valve 135-HP engine, the most powerful 1.6-liter built there. Targeting racing enthusiasts (Honda had a Formula 2 champion this year), the company is also offering the Civic hatchback with the twin-cam engine.

Honda Civic, CR-X to have four-valve engine in Japan

TOKYO. — Hoping to cash in on its success in Formula 2 racing in Europe, Honda has added a four-valve engine for its Civic hatchback and CR-X.

The engine is designed to closely resemble the Formula 2's and has a pair of curved cam covers, as on a racer.

The power output of 135 BHP —high for Honda—makes it the most powerful 1.6-liter engine built in Japan.

With a bore and stroke of 75 x 90 mm, compared with 74 x 86 mm for the 1.5-liter, the 1.6 liter-engine does not start off in the conventional short-stroke mold for a high-performance unit. But it does retain the lightweight aluminum cylinder block of the smaller unit.

There is a toothed belt drive to the twin OHC, which does not actuate the valves directly. Instead, the cams bear on short finger rockers, which Honda claims results in a very compact cylinder head. The arrangement also allows screw tappet adjusters to be used.

An unusual feature is that the camshafts are cast hollow, so they are light and good lubrication of the rockers can be provided.

Honda's PGM-FI system, now with tuned-length inlet ports, is used, and there is no CVCC chamber, since fuel consumption is irrelevant.

It all adds up to 135 BHP (JIS) at 6,500 RPM, with maximum torque of 110 pounds-feet at 5,000 RPM. Clearly, the engine will give the Civic and the smaller CR-X amazing performance.

In Japan, the Toyota Corolla twin cam coupe will be the CR-X's main competitor. It develops 130 BHP (JIS), but is 140 pounds heavier.

Honda has also unveiled a four-wheel drive version of the Civic five-door Shuttle.

However, 4WD is not always engaged, as on the Audi Quattro, but only when a button on the instrument panel is pressed, as in the Subaru and Mitsubishi systems.

Honda has introduced these models in an attempt to boost sales of the Civic range, now running at about 70 percent of schedule, or 8,000 a month. The company has increased the overall sales target for the Civic to 12,500, which includes 2,000 twin OHC models and 500 4WD Shuttles.

The CR-X, despite its success in the U.S., has also failed to catch on in Japan. The monthly schedule for the smaller car has been downgraded by 500 to 1,500 a month, of which 900 are expected to be twin-cam models.

HD registrations for nine months rise 54.5 percent

Continued from Page 16

percent over the 13,204 tallied in the same month last year.

Registrations of Group 7 trucks through the first nine months totaled 48,801, up 34.76 percent over the 36,212 in the year-earlier period.

The Group 8 count through September was 92,947, an increase of 67.96 percent over last year's 55,372.

International continued to lead Ford in heavy-truck registrations with a nine-month total of 32,151 units, compared with 27,916 for runnerup Ford.

In September, International increased its lead over Ford by more than 700 units.

International also was No. 1 in Group 8 registrations with 21,204 tallies through September, whie Ford was the Group 7 leader with 19,126 units.

Dealership aide accused of theft

EASTON, Pa. — Howard Alpaugh, an employe of Young Volkswagen - Mazda - Dodge in suburban Palmer Township, was accused of stealing more than $80,000 in cash and checks from the new-car dealership and was arraigned in district court.

He was charged with theft by failure to make required disposition of funds. Alpaugh was supposed to deposit the money and checks in several area banks.

Alpaugh was arrested by State Police in Honesdale, Pa., for allegedly driving under the influence of liquor. After making a routine background check on Alpaugh, state police discovered that local police had a warrant for his arrest. He allegedly told police he threw the checks out of the car and spent most of the cash.

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Sales rise 6 pct.

Honda quarter profits up 30 pct.

TOKYO. — Honda Motor Co., Ltd., reported a 30 percent increase in profits during the second quarter on only slightly higher sales.

Net income for the quarter ended Aug. 31 was 29,505 million yen, or $122 million at current exchange rates, compared with 22,774 million yen in last year's second quarter.

Sales were 677,172 million yen, or $2.8 billion, up 6 percent from last year's 640,312 million yen. Of the total sales, $2.0 billion, or 72 percent, came from exports with the rest from Honda's home market in Japan.

Total unit automobile sales for the quarter were up 7 percent to 313,000 units. Of the total, 211,000 were sold overseas, up 13 percent from last year, while unit sales in Japan were off 6 percent. Automobile sales in currency were 398,630 million yen, or $1.6 billion, up 13 percent from last year's second quarter.

• For the first half of the fiscal year, net income was 58,088 million yen, or $240 million, up 34 percent from last year's 43,424 million yen.

First-half sales were 1,346,381 million yen, or $5.6 billion, up 12 percent from last year.

Automobile sales rose 13 percent to 623,000 units in the first half, with overseas sales increasing 21 percent to 425,000 units and sales in Japan dropping 1 percent. In currency, auto sales were 791,864 million yen, or $3,273 million, up 23 percent.

Automobiles sales for the quarter and half represented 59 percent of Honda's total sales.

Honda said improved earnings were due to increased sales of automobiles and power products, though motorcycle sales remain down from last year, as well as to reduced interest expense and increased interest income.

Quality work earns award

Harold A. Poling, with plaque, executive vice president, Ford North American Automotive Operations, presents Uniroyal, Inc., Opelika, Ala., with Ford's Q1 Preferred Quality Award at a luncheon in Dearborn. Representing Uniroyal are, from left: Claude H. Allard, corporate vice president, automotive worldwide; Don Votaw, director quality assurance, and Lindsay Wylie, vice president, automotive sales. Uniroyal's Opelika plant produces tires for Ford vehicles.

Ford backs effort to find machine-to-machine language

By Roger Rowand
Engineering Editor

The future of factory automation has become even brighter with Ford Motor Co.'s strong endorsement of industry efforts to create a common machine-to-machine language called Manufacturing Automation Protocol (MAP).

A protocol is a method of coding and transmitting information.

MAP will provide standardized communications among computers and programmable devices from a variety of suppliers, Ford said.

General Motors has been the leader in the auto industry in efforts to spur the evolution of MAP. It has had a task force on the project since 1980. Chrysler Corp. has been supporting MAP efforts.

With Ford's endorsement, MAP becomes a more certain force in the automation trade.

"For our plants to evolve toward factories of the future, we must link the many stand-alone devices and pools of information into fully integrated systems with communications networks," said Paul F. Guy, director of Ford's Engineering and Systems Office.

"The standardization potential represented by MAP is a breakthrough in data communications," said S. I. Gilman, executive director of Ford's Information Resources Management Office.

"We are encouraging our vendors or potential vendors of intelligent devices, software, machine tools and other systems components to incorporate MAP standards in their products. Their actions can accelerate the realization of multivendor, computer-integrated manufacturing facilities," Gilman said.

Ford said MAP will, among other things, allow wider choice in suppliers due to communication compatibility. Also, its use will shorten lead time in designing and implementing integrated manufacturing systems.

"Ford engineers will be able to concentrate on selecting the best equipment for a given application, regardless of vendor, without concern over its ability to communicate with other elements of the manufacturing system," Guy said.

The Ford men said a high procurement priority in evaluating manufacturing systems for use in Ford plants will be the compatability of these systems and their computer-controllers or monitored components with MAP specifications.

Ford asks its suppliers to join in push for quality

DEARBORN. — Ford Motor Co.'s North American Automotive Operations has asked its suppliers to join its push for quality.

"It's not enough for quality to be Job One at Ford — it also must be Job One with our suppliers," said Clinton D. Lauer, executive director of NAAO production purchasing.

"We recognize that our suppliers already have come a long way in improving their quality," Lauer said.

"In fact, Ford's 57-percent average quality improvement for cars and trucks versus 1980 vehicles could not have been achieved without high-quality parts from the 2,300 supplier locations doing business with NAAO."

A key element in quality improvement is the application of statistical analysis to the development and maintenance of proper manufacturing techniques.

This system focuses on defect prevention, rather than detection. It increases quality and productivity by minimizing redundant testing, inspection, product rework and materials scrappage, according to Lauer.

Ford and the American Supplier Institute have conducted 160 seminars in statistical methods over the last 3½ years for more than 7,500 supplier personnel. Many others have learned about statistical methods through universities, consultants and internal training programs.

In order to give suppliers a quality benchmark to shoot for, in August, 1981, Ford launched a program to encourage suppliers to meet Ford's quality standards. Suppliers who meet this benchmark receive Ford's Q1 Preferred Quality Award.

"To qualify for the award," Lauer said, "a supplier must have an excellent Ford quality rating and an effective quality assurance system that includes the use of statistical techniques.

"In return, Ford gives the supplier preferred sourcing recognition. He is trusted with responsibility for his own quality, rather than having Ford check on it. And when he receives a major contract, he participates in the early planning stages of the vehicle program of which he is a part," Lauer said.

Recently, 50 additional supplier locations earned the Q1 Award. Harold A. Poling, executive vice president of Ford's North American Automotive Operations, saluted the new recipients at an awards luncheon.

factories list auction dates

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General Motors

Nov. 27—Florida Auto Auction of Orlando, Ocoee, Fla., and Ohio Auto Auction, Inc., Grove City, O.

Nov. 28—Brasher's Southern California Auto Auction, Fontana, Calif.

Nov. 29—Atlanta Auto Auction, Red Oak, Ga.; Clanton's Auto Auction, Darlington, S.C.; Arena Auto Auction, Chicago; Nov. 29—Aptco Auto Auction, Taylor, Mich.; Floyd Hauhe Auto Auction, Bridgeton, Mo., and Denver Auto Auction, Englewood, Colo.

Dec. 5—Hatfield Auto Auction, Hatfield, Pa.; Minneapolis Auto Auction, Plymouth, Minn.; Salt Lake Auto Auction, Salt Lake City, and Omaha Auto Auction, Omaha.

Dec. 6—Nashville Auto Auction, Nashville, and Indianapolis Auto Auction, Indianapolis.

Dec. 11—Southern Auto Auction, East Windsor, Conn.

Dec. 12—Golden Gate Auto Auction, Fremont, Calif.; Metro Auto Auction, Kansas City, and Clanton's Auto Auction, Darling, S. C.

Dec. 13—Arena Auto Auction, Chicago; Dallas Auto Auction, Dallas, and Butler Auto Auction, Gibsonia, Pa.

Dec. 18—Aptco Auto Auction, Taylor, Mich.

Dec. 24—166 Auto Auction, Springfield, Mo.

Used Car Sales
Auction Averages

November to date	$5,118
Month ago	$4,984
Year ago	$5,050

Model Breakdown
Auction Averages

	NOVEMBER TO DATE	OCTOBER 1984	SEPTEMBER 1984
1984	$3,920	$3,894	$3,747
1983	7,849	7,671	7,264
1982	5,849	5,874	5,752
1981	4,777	4,474	5,020
1980	3,927	3,998	3,932
1979	3,259	3,264	3,237
1978	2,415	2,350	2,348
1977	1,924	1,847	2,213
Overall Average	$5,118	$4,984	$4,894

Thieves take $135,000 from Nissan Mexicana

CUERNAVACA, Mexico. — The Nissan Mexicana assembly plant, on the outskirts of Cuernavaca in the Civac industrial zone, was assaulted by eight thieves armed with machine guns and heavy automatics.

They got away with 27 million pesos ($135,000) of the biweekly payroll.

Using false beards and mustaches as disguises, the eight worked swiftly and professionally.

Security police were overcome and the thieves headed for the paymaster's office, where the payroll had been prepared for distribution.

A Maverick and a Fairmont station wagon parked in front of the plant, were the getaway cars.

Police said the bandits were "professionals." Telephone lines were cut and the entire operation took no more than three minutes.

A wave of robberies has hit Mexico in the past year including banks, business firms and supermarkets. This was the first assembly plant to be robbed.

Depreciation rules proposed for autos used in business

WASHINGTON. — The Internal Revenue Service has proposed temporary regulations governing the tax depreciation of business-use automobiles, as specified under the newly enacted Tax Reform Act of 1984.

The IRS rules reflect those written into a House Senate compromise limiting the amount of business-vehicle depreciation to no more than $4,000 in the first year and $6,000 in subsequent years.

The new guidelines allow depreciation only on the percentage of the vehicle used for business with a business-use test of more than 50 percent before any accelerated depreciation can be taken.

Vehicle-use claims must be supported by a detailed log of how the vehicle was used during the tax year, according to the proposed regulations. The 50-percent test must also be met before qualifying for any portion of a one-time-only investment tax credit of $1,000.

On vehicles that are used less than 50 percent for business, owners will still be allowed to take a straight line depreciation, but will be denied the more rapid depreciation allowed under the modified accelerated cost recovery system.

NADA, the American International Automobile Dealers Assn. and HVMA have all said they are analyzing the IRS regulations and will pass their findings on to members as soon as they are completed.

IRS is asking for comments on some portions of the rules, including which types of vehicles should be excluded from the regulations, how business versus personal use should be measured and how tax withholding should be handled for employes who are provided with vehicles as part of their compensation.

The possibility of a public hearing on these matters was raised in the IRS notice.

Bernson reaches 20

ARLINGTON, Mass. — Robert S. Bernson, Alewife Motors, Inc., here, has been honored for 20 years as a Volvo dealer.

BEST AVAILABLE COPY

ITA seeks to overcome subsidy

Mexican auto glass may cost more

WASHINGTON.—Automotive glass made in Mexico is going to cost U.S. car makers more money if a preliminary countervailing duty determination is made permanent by the Commerce Department's International Trade Administration.

ITA has tentatively found that the Mexican automotive glass industry is receiving subsidies and grants from the Mexican Government estimated at 2.61 percent ad valorem.

On November 1, the trade agency directed the U.S. Customs Service to require a cash deposit of bond on all Mexican-fabricated automotive glass entering the U.S. equal to the 2.61 percent subsidy margin.

The agency expects to make its final determination by Jan. 9.

The action was brought last year by PPG Industries, Inc., on behalf of the U.S. fabricated automotive glass industry. Mexico is not a party to the General Agreement on Tariffs and Trade, which could have handled the proceeding.

Ford Motor Co. and Libbey-Owens-Ford objected to the ITA investigation, but were excluded by ITA from consideration as part of the domestic automotive glass industry since they are major importers of Mexican auto glass.

ITA officials said agency investigators will next visit with Mexican Government officials and may make plant inspections to determine whether ITA's subsidy estimates are correct. Should the initial ITA findings prove correct, ITA will, in all likelihood, move to make the higher duties permanent.

The trade agency said it believes Mexican auto glass makers receive government loans at below market interest rates. ITA also believes the Mexican auto glass makers are granted tax certificates to pay federal taxes for five-year periods intended by the Mexican Government to spur productivity investments.

The automotive glass subsidies issue will be the subject of a public hearing to be held by ITA at the Department of Commerce in Washington Nov. 29.

Japanese Automotive Statistics: January-August 1984-83

Production (1)

	Passenger Cars	Trucks	Buses	Total
8 months '84	4,719,607	2,830,081	42,279	7,591,967
8 months '83	4,679,746	2,582,104	38,147	7,299,997
% change	0.9%	9.6%	10.8%	4.0%

Production Passenger Cars by Size (2)

	Regular	Small	Mini	Total
8 months '84	313,894	4,268,887	136,826	4,719,607
8 months '83	315,223	4,223,728	140,795	4,679,746
% change	−0.4%	1.1%	−2.8%	0.9%

New Vehicle Registrations in Japan (3)

	Passenger Cars	Trucks	Buses	Total
8 months '84	2,058,250	1,531,692	14,716	3,604,658
8 months '83	2,042,252	1,474,866	14,536	3,531,654
% change	0.8%	3.9%	1.2%	2.1%

All figures are on unit basis. (1) Production figures are as reported by all automobile manufacturers in Japan. (2) Size definitions used here are according to Japanese classification by piston displacement which are as follows: Regular: 2,001cc and more; Small: 551cc to 2,000 cc: Mini: 550cc and less. (3) New vehicle registration (in Japan) figures are compiled by Japan Mini-Vehicle Assn. and Japan Automobile Dealers Assn. All others sourced by JAMA.

Japanese vehicle production increases 7 pct. for month

WASHINGTON, D.C. — Japanese production of motor vehicles increased 7.1 percent in August 1984 to 774,928 units compared to 723,661 units produced in August 1983. This August 1984 total reflect 473,071 passenger cars, up 0.7 percent; 296,206 trucks, up 18.3 percent, and 5,651 buses, up 62.6 percent.

Total exports to the world increased 14.2 percent in August 1984 from a year earlier to 469,153 units. Passenger car exports increased 11.1 percent to 305,022 units. Truck and bus exports increased 20.1 percent and 36.0 percent respectively. Overall motor vehicle shipments to the U.S. increased 21.8 percent, from 160,759 units in August 1983 to 195,753 units in August 1984. Passenger car shipments to the U.S. were 141,505 units, a 13.1 percent increase from August 1983.

New vehicle sales in Japan's domestic market decreased 4.3 percent in August 1984 to 296,812 units. Passenger car sales registered an 8.4 percent decrease, truck sales were up 1.1 percent and bus sales were up 2.1 percent in August 1984.

Statistics for the January-August 1984 and 1983 periods are in the chart above.

Earnings rise 23 pct. for EDS, GM's new unit

DALLAS. — Electronic Data Systems Corp., General Motors' newest subsidiary, reported a 23-percent increase in profits for the quarter ended Sept. 30.

The Dallas-based EDS said net income was $20.7 million, up from last year's $16.8 million.

Sales were up 33 percent at $238.5 million compared with last year's $179.1 million.

For the first nine months of 1984, EDS showed net income of $57.6 million on sales of $665.4 million, up from last year's income of $47.7 million on sales of $537.9 million.

EDS officially became a subsidiary of GM on Oct. 18 under a $2.5 billion acquisition arrangement. EDS will be responsible for GM's data processing and communications operations. The new subsidiary also will process financial transactions and health-care claims for GM.

Hunt appointed to AIADA post

WASHINGTON. — David A. Hunt has been named vice president for operations and legal affairs by the directors of the American International Automobile Dealers Assn.

Hunt has been with the trade association since mid-1983 as director of operations.

Before joining AIADA, Hunt was director of public affairs of the Air Conditioning and Refrigeration Institute. Prior to that, he was associate legislative counsel for NADA.

Award for Ciccolo

Edward Sansevero, right, district manager, Volvo of America Corp., presents a citation to Raymond J. Ciccolo, of Volvo Village, Newton, Mass. Volvo Village, established in 1956, is the oldest Volvo dealership in New England. Ciccolo is also president of Boston Volvo, Cambridge, Mass., and Village Chevrolet, Needham, Mass.

Sun develops 2-gas automotive exhaust analyzer

CRYSTAL LAKE, Ill. — A two-gas automotive exhaust emissions analyzer has been introduced by Sun Electric Corp.

Called the Infra Two, the unit is said to meet BAR-74 specifications as well as 207-b standards of the federal Clean Air Act. The unit features color-coded, twin D'Arsonval back-lighted meters and a base-mounted pump which both dampens vibrations and improves the unit's overall stability, Sun said.

According to Sun, the Infra Two can serve both as a stand-alone emissions analyzer and—to a limited degree—as an engine performance troubleshooter.

The analyzer is said to be fast-acting, with a response time of 10 seconds to 90 percent of the final reading, and 15 seconds to 95 percent of the final reading.

Dominican Republic to buy Dina buses

MEXICO CITY. — Diesel Nacional (Dina) won a contract in international bidding to provide the Dominican Republic with passenger buses.

In order to fulfill the commitment made with the Dominican National Chamber of Transport and Communications, Dina increased its assembly productivity by 25 percent and hired 429 additional plant employes.

Dealer gift to MD telethon

John McCallan, left, and Don Reid, right, owner of Pearson Ford, San Diego, prepare a check for $14,200 for the San Diego Chapter of the Muscular Dystrophy Assn. John Kennedy, center, San Diego telethon chairman, accepted the check. Pearson Ford raised the funds during an 11-day Sale-A-Thon in which the dealership pledged $100 for every new and used car sold.

Study finds utility vehicles have higher rollover rates

WASHINGTON. — The Insurance Institute for Highway Safety reported that a study it sponsored at the University of North Carolina's Highway Safety Research Center indicates that utility vehicles have a rollover rate more than five times that of automobiles and four times that of pickup trucks.

A 1981 study by the North Carolina unit and a 1980 Michigan study resulted in nearly identical conclusions.

The latest study was based on nearly 600,000 crashes in North Carolina from 1979 through 1982.

The overall rollover rate for utility vehicles was 70.8 per 10,000 registered vehicles. The American Motors CJ-5 (last produced in the 1983 model year) had the worst rollover rate of 111.4 per 10,000, according to the study.

The AMC CJ-7's rollover rate was 94.7, followed by the Toyota Land Cruiser rate of 81.8 rollovers per 10,000.

While subcompact cars had the worst rollover rates for automobiles, 27 per 10,000 vehicles, the overall rollover rate for cars was 13.6 per 10,000, the study reported.

• Pickup trucks averaged 15.3 rollovers per 10,000 vehicles. Toyota and Datsun pickups had rollover rates of 37.2 and 22.4 per 10,000.

A response by American Motors said: "Any vehicle, regardless of make or type, can be driven beyond its design limitations in a reckless manner causing an accident.

"We have not had a chance to thoroughly review the study," the statement continued, "but we understand it's merely an update of a 1981 report that was erroneous, incomplete and biased.

"It was severely flawed because it did not take into account important variables," the AMC statement said.

Jerry Sloan, AMC vice president of public relations, added, "You can't look at something like road conditions in a three-box table."

Donald Reinfurt, of the Highway Research Center, said that a utility vehicle should be driven with caution. He said that's something that the ads for the vehicles don't emphasize.

Beginning with the 1985 model year, manufacturers of small utility vehicles have been ordered by the NHTSA to display labels warning drivers of the rollover tendencies.

New England Milesto

Ford dealer Ben Ristuccia, left, of Wilmington Sales. Inc., Wilmington, Mass., receives congratulations and a commemorative pin marking the 25th anniversary of his dealership from Donald C. Minogue, Ford Division's Boston district manager.

HDs with sleeper cabs recalled by Freightliner

PORTLAND. — Freightliner Corp. is recalling approximately 2,300 of its Class 8 heavy-duty trucks to correct a defect in the door latch of the cab sleeping compartment.

Affected are conventional trucks built from February through August, 1984. Freightliner cautioned that the outside door to the sleeping compartment could come unlatched without warning, and occupants of sleeper boxes should avoid leaning against those doors until modifications are made.

Rebound to follow late '84 slowdown

RV leaders see years of growth

Continued from Page 1

ued slow trend to motorized and a 5 percent inflation factor," he said. "This should develop a 15 to 20 percent increase in dollar volume for the industry.

"The most aggressive dealers and manufacturers will thrive in this environment," he added.

Fleetwood Enterprises, Inc., is optimistic for 1985 after a flat fourth quarter this year.

Shipments in the final months, according to James V. Sheldon, Recreational Group marketing director, probably will be somewhat lower than a year ago "because dealers last year were adding significantly to their inventories, while this year their inventories are somewhat higher than normal."

"In the spring," he added, "we expect sales to return to normal levels based on increased consumer confidence, ample availability of gasoline and acceptable finance terms."

David W. Tarrant, Ford Division RV sales manager, looks for 1985 sales to be about the same as this year's.

"Overall, the market is going to be good," he said. "But it's going to be more in line with actual customer demand than with the inventory building that has been going on in the industry over the past 18 months or so.

"The distribution pipeline can stand only so much inventory, and in most cases, the pipeline is full," he added.

John K. Hanson, chairman, Winnebago Industries, Inc., said motor-home sales should continue to improve throughout the 1980s.

"Products are being made more affordable and feature contemporary styling and amenities," he added. "And the post-World War II baby boomers — now approaching middle age — offer the largest, most affluent market for recreational vehicles ever experienced in the U. S."

Van converters also look for continued strong growth in sales with the entry of the Ford and General Motors downsized vans and the demise of some big station wagons and passenger cars.

"The outlook for 1985 and balance of the decade is favorable for the high-quality luxury van," said Don Cuzzocrea, president, Starcraft Co. "This type of vehicle has now established a solid market foothold with the upper middle class in the U. S. and Canada."

Conrail acquires piggyback trailers

PHILADELPHIA. — Consolidated Rail Corp. is acquiring 650 45-foot-long, 102-inch-wide highway truck trailers, valued at $9 million, to expand its piggyback fleet.

The 650 trailers have a 96-inch wheelbase which permits them to be used with existing piggyback flatcar fleets.

Piggyback service, which is the movement of truck trailers and marine containers on railroad flatcars, is one of the fastest growing segments of rail freight transportation, Conrail said. Conrail registered a piggyback traffic volume increase of nearly 17 percent in 1983 over 1982.

Thanksgiving holiday cuts auto production to 99,247

By Louise Kertesz
Detroit Reporter

Last week's projected U. S. auto production of 99,247 units was down 43.38 percent from the previous week's 175,275, due to the Thanksgiving holiday.

Last week's output, which was 5.93 percent better than the year-ago week's 93,695, also reflected the halting of production at American Motors' Kenosha plant for inventory adjustment.

Year-to-date, 7,104,175 cars have been assembled, 16.15 percent more than the 6,116,305 completed at this point last year.

Last week's estimated production was shared as follows: General Motors, 56.93 percent; Ford Motor Co., 24.64 percent; Chrysler Corp., 15.32 percent; American Honda, 1.90 percent, and Volkswagen of America, 1.21 percent.

No overtime was scheduled at assembly plants during the Thanksgiving weekend.

Schomp to build

ENGLEWOOD, Colo.—Ralph Schomp Oldsmobile-Honda-BMW has broken ground for a new $4-million dealership here.

Makers produce 39,159 trucks in holiday week

U. S. truck makers pegged last week's output at 39,159 units, down 39.87 percent from the previous week's 65,126 because of the Thanksgiving holiday.

Last week's output was 37.41 percent better than the year-ago week's 28,495.

So far this year, 2,829,831 trucks have been built, 30.52 percent more than the 2,168,176 completed last year at this time.

No overtime was scheduled last week during the Thanksgiving holiday.

Output in Canada slips 12 pct. for cars and trucks

Canadian car makers targeted production of 20,370 units last week, down 12.10 percent from the previous week's 23,175 and down 4.18 percent from the year-ago week's 21,259.

Year-to-date, 949,462 cars have been assembled, an increase of 8.40 percent over the 875,932 completed last year at this time.

Last week's estimated production of 16,375 trucks was off 12.41 percent from the previous week's 18,695, which was close to the year's high of 18,853 units built during the week ended June 23.

Last week's output, up 10.95 percent over the year-ago week's 14,758, includes an estimate by International Harvester Co., although the company was on strike at presstime.

Chrysler Corp.'s plant in Windsor, Ont., completed 1,561 Plymouth Voyagers, 1,574 Dodge Caravans and 461 Mini Ram Vans last week, bringing the total of T-115s assembled this year to 211,032.

CANADIAN CAR PRODUCTION

	Week Ended Nov. 24, 1984	Same Week, Nov. 26, 1983	Week Ended Nov. 17, 1984	November to Date	Jan. 1, to Nov. 26, 1983	Jan. 1, to Nov. 24, 1984
AMERICAN MOTORS	610	730	610	2,073	26,635	20,518
CHRYSLER CORP.	.....	.....	.....	.....	104,365	.....
FORD MOTOR	11,040	8,148	11,243	35,005	247,677	402,149
GENERAL MOTORS	8,495	12,156	11,142	36,431	487,718	517,345
VOLVO	225	225	180	719	9,537	9,450
Total Cars, Canada	20,370	21,259	23,175	74,228	875,932	949,462

*** Ford's figures for weeks ended Nov. 17 and 24 are estimated.**

TRUCK PRODUCTION IN U. S.†

	Week Ended Nov. 24, 1984	Same Week, Nov. 26, 1983	Week Ended Nov. 17, 1984	November to Date	Jan. 1, to Nov. 26, 1983	Jan. 1, to Nov. 24, 1984
CHEVROLET	12,246	5,443	19,352	60,214	753,306	889,217
DODGE	2,500	2,304	5,369	15,279	131,266	191,479
FORD *	14,925	12,476	24,875	75,893	841,184	1,080,843
GMC	4,343	3,891	6,629	21,618	238,369	292,705
INTERNATIONAL	945	738	1,576	4,725	46,522	68,511
VOLKSWAGEN	.....	.....	.....	.....	2,079	.....
JEEP	2,250	2,047	3,739	11,282	94,450	168,217
NISSAN	1,320	966	2,536	7,652	13,540	89,919
AM GENERAL	30*	30*	50*	150*	2,260*	2,340*
MISCELLANEOUS	600*	600	1,000*	3,000*	45,200*	46,600*
Total Trucks, U.S.	39,159	28,495	65,126	199,853	2,168,176	2,829,831

CANADIAN TRUCK PRODUCTION

	Week Ended Nov. 24, 1984	Same Week, Nov. 26, 1983	Week Ended Nov. 17, 1984	November to Date	Jan. 1, to Nov. 26, 1983	Jan. 1, to Nov. 24, 1984
CHRYSLER CORP.	6,248	5,029	8,735	23,987	120,726	330,034
FORD MOTOR	3,664	3,392	3,601	11,496	129,386	141,213
GENERAL MOTORS	6,248	6,202	6,252	20,570	239,063	252,150
INTERNATIONAL	215	135	107	618	5,172	7,724
Total Trucks, Canada	16,375	14,758	18,695	56,671	494,347	731,121
N. American Trucks	55,534	43,253	83,821	256,524	2,662,523	3,560,952

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

U. S. CAR PRODUCTION

	Week Ended Nov. 24, 1984	Same Week, Nov. 26, 1983	Week Ended Nov. 17, 1984	November to Date	Jan. 1, to Nov. 26, 1983	Jan. 1, to Nov. 24, 1984
AMERICAN MOTORS	.....	2,999	4,669	11,038	178,277	172,464
AMC Total	.....	.....	.....	.....	4,071	.....
Eagle	.....	.....	.....	.....	4,071	.....
Renault Total	.....	2,999	4,669	11,038	174,206	172,464
Alliance	.....	1,500	2,859	6,800	142,874	98,698
Encore	.....	1,499	1,810	4,238	31,332	73,766
CHRYSLER CORP.	15,200	13,928	28,497	81,760	798,186	1,135,828
Plymouth Total	4,700	4,170	8,612	25,486	277,046	346,023
Horizon	1,900	1,815	3,347	10,103	103,614	147,466
Reliant	1,900	2,262	3,470	10,250	168,234	158,916
Caravelle	750	51	1,251	3,757	4,769	19,996
Gran Fury	150	42	544	1,376	429	19,645
Chrysler Total	4,600	3,843	8,674	24,681	204,309	366,012
LeBaron	1,250	1,192	2,338	6,850	76,767	106,336
LeBaron GTS	650	.....	1,019	2,968	.....	4,720
Laser	800	463	1,485	4,286	18,286	65,008
New Yorker/E-Class	800	1,049	1,491	4,335	97,094	83,705
Fifth Avenue	1,100	1,139	2,341	6,242	12,162	106,243
Dodge Total	5,900	5,915	11,211	31,593	316,831	423,793
Omni	1,600	1,814	2,873	8,328	113,545	135,058
Aries	1,750	2,243	3,321	9,315	127,593	130,547
Daytona	500	1,244	1,100	3,228	12,452	48,701
Dodge 400	.....	.....	.....	.....	18,478	.....
Dodge 600	900	595	1,603	4,621	44,046	68,390
Lancer	400	.....	873	2,312	.....	3,702
Diplomat	750	19	1,441	3,789	717	37,395
FORD MOTOR *	24,454	21,387	40,756	119,730	1,399,370	1,621,970
Ford Division	15,766	13,647	26,276	76,129	907,971	1,049,016
Escort	4,266	4,072	7,112	21,378	257,593	316,005
Fairmont	.....	.....	.....	.....	23,728	.....
Mustang	2,112	2,141	3,520	9,062	109,429	125,982
LTD	2,837	2,376	4,728	14,058	161,335	205,928
Thunderbird	1,663	2,021	2,772	8,956	172,494	134,889
Crown Victoria	1,324	933	2,207	6,378	84,630	77,584
EXP	659	321	1,098	3,288	2,069	38,533
Tempo	2,903	1,783	4,839	13,009	96,752	150,095
L-M Division	8,688	7,740	14,480	43,601	491,399	572,954
Mercury Total	6,196	6,261	10,327	31,820	397,620	419,113
Lynx	672	948	1,120	3,520	67,947	62,661
Capri	277	349	462	1,404	22,930	16,754
Zephyr	.....	.....	.....	.....	8,601	.....
Marquis	1,753	1,262	2,922	9,250	68,524	109,835
Cougar	1,844	1,700	3,073	8,689	116,096	105,495
Grand Marquis	961	1,222	1,602	4,939	85,615	83,308
LN7	.....	.....	.....	.....	290	.....
Topaz	689	780	1,148	4,018	27,617	41,060
Lincoln Total	2,492	1,479	4,153	11,781	93,779	153,841
Continental	449	284	748	2,134	11,091	33,377
Lincoln	1,765	379	2,942	8,346	55,673	96,497
Mark VI/VII	278	816	463	1,301	27,015	23,967
GENERAL MOTORS	56,503	52,653	96,480	272,196	3,606,426	3,981,650
Buick Total	13,294	11,912	23,680	68,300	811,165	897,544
Skylark	1,557	2,118	2,690	8,038	99,951	98,080
Skyhawk	1,023	1,533	1,652	5,550	69,159	119,903
Somerset Regal	1,275	.....	2,122	6,097	.....	20,426
Century	3,169	2,030	5,677	16,242	152,678	207,243
Regal	1,520	2,385	2,496	8,277	217,743	162,586
LeSabre/Electra (rwd)	2,912	3,023	5,281	14,276	223,824	188,265
Riviera	697	823	1,437	3,908	47,810	47,849
Electra (fwd)	1,141	.....	2,325	5,912	.....	53,192
Cadillac Total	4,257	3,780	7,751	22,055	279,848	296,667
Cimarron	126	338	334	659	18,706	14,211
Seville	445	395	906	2,513	31,704	35,097
Eldorado	906	761	1,847	5,019	66,698	69,144
Cadillac	1,024	2,286	1,485	4,583	162,740	102,565
DeVille (fwd)	1,756	.....	3,179	9,281	.....	75,650
Chevrolet Total	16,852	17,736	27,539	76,631	1,197,359	1,338,720
Chevette	1,649	2,658	2,796	8,334	187,251	160,904
Cavalier	5,224	4,060	7,985	20,181	277,539	362,865
Celebrity	2,852	3,155	5,090	14,444	156,082	257,595
Camaro	2,985	2,832	4,465	13,007	178,717	207,554
Citation	843	1,109	1,595	4,684	79,606	95,751
Malibu/El Camino	469	286	513	1,643	99,152	22,139
Monte Carlo	586	2,215	1,021	3,120	110,655	90,791
Chevrolet	1,648	963	3,058	8,211	83,330	109,590
Corvette	576	458	1,016	3,007	25,027	31,531
Oldsmobile Total	14,838	13,937	26,416	73,043	928,982	967,731
Omega	.....	977	.....	.....	51,710	29,289
Firenza	1,155	1,091	1,732	2,948	44,515	61,505
Cutlass Supreme	3,146	4,051	5,252	16,449	276,773	234,115
Cutlass Ciera	3,009	2,805	5,957	16,675	194,438	225,567
88/98 (rwd)	4,027	4,498	7,048	19,843	323,293	285,654
Olds 98 (fwd)	1,551	.....	3,052	7,958	.....	69,322
Calais	1,428	.....	2,303	6,248	.....	21,829
Toronado	522	515	1,072	2,922	38,253	40,450
Pontiac Total	7,262	5,288	11,094	32,167	389,072	480,988
Acadian†	.....	253	144	488	13,706	13,322
2000 Sunbird	1,582	1,285	2,743	7,006	102,630	126,453
1000	343	479	479	1,624	38,705	36,418
Firebird	1,587	1,021	2,504	6,783	92,430	97,808
Phoenix	.....	208	.....	.....	23,165	14,116
Grd. Prix/Bonneville	.....	594	.....	.....	86,878	29,733
Parisienne	1,200	123	2,420	6,237	10,974	42,811
Fiero	1,428	1,325	1,311	5,155	20,584	105,817
Grand Am	1,122	.....	1,493	4,874	.....	14,510
HONDA	1,890	1,134	3,049	9,736	46,536	124,571
VOLKSWAGEN	1,200	1,549	1,824	5,300	87,510	67,692
Total Cars, U. S.	99,247	93,695	175,275	499,760	6,116,305	7,104,175
Total Cars, Canada	20,370	21,259	23,175	74,228	875,932	949,462
N. American Cars	119,617	114,954	198,450	573,988	6,992,237	8,053,637
N. American Trucks	55,534	43,253	83,821	256,524	2,662,523	3,560,952
North American Cars and Trucks	175,151	158,207	282,271	830,512	9,654,760	11,614,589

†—All Acadians are built in Canada. *Estimated.

*** Ford's figures for weeks ended Nov. 17 and 24 are estimated.**

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Coming from Ford

Slick Ford Taurus for 1986

The European flavor of the Ford Taurus for 1986 is clearly apparent in the headlamps, the windshield's steep rake and the emphasized body-side sculpturing. Unofficial photograph shows Ford stylists have not abandoned the jelly-bean look their cars started taking on in 1983.

Jim Dunne photos

Smoother Tempo from Ford

Unoffical photograph of a 1986 Ford Tempo front-end shows it has taken on a new, less-cluttered look with altered grille opening, newly shaped parking lights and an all-new, more-symmetrical-appearing composite bumper system.

EDS is the 'rocket' in GM reorganization

By Marjorie Sorge
Labor Editor

WARREN, Mich. – Electronic Data Systems, General Motors' new data processing acquisition, is the rocket that will guide the company's reorganization.

EDS will consolidate GM's sprawling data processing system, make a substantial amount of money for the company, cut health care cost increases by more than the 10 percent predicted, set up the Saturn project and get GM more military business, according to Kenneth G. Riedlinger, EDS senior vice president in charge of the subsidiary's GM operations.

EDS will also profit form the acquisition, according to GM Chairman Roger B. Smith.

"They just landed the biggest account in their history," he said. "This is going to double the size of them.

"We've got stuff out there right now that is just a gold mine for them. We have been so busy developing and using it for ourselves we never had time to sell it ouside. But I can tell you that there is stuff that is processing gears through Saginaw Steering Gear right now that is equally applicable to the Kellogg Co. to make cereal. So we have tremendous product for them to sell," he said.

Standardizing the GM operations will include EDS setting up a Canadian subsidiary to handle GM's Canadian needs and taking over the overseas data processing responsibilities.

When the data processing system is totally consolidated, all dealers, suppliers, factories and other GM operations worldwide will be using a common computer language. It could follow that the entire auto industry will fall in line with the common language since many GM suppliers also supply the other auto makers.

"The whole thing ties together data processing and telecommunications across the world," Riedlinger said, indicating that GM could put up its own satellite in the near future to handle its telecommunication needs.

"EDS is clearly a vehicle to do those things. We don't know anything about building cars, but we

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Industry would lose two major breaks

Tax plan could be costly

By Jake Kelderman
Washington Reporter

WASHINGTON. – Auto making and some of the other basic industries of the U.S. could be the losers should the tax simplification plan offered by the Treasury Department last week become law.

Under the plan, the capital-intensive business of making cars and trucks would lose both the investment tax credit (ITC) and the Accelerated Cost Recovery System for accelerated depreciation that have been instrumental in the revitalization of plants, equipment and competitiveness.

And although the companies will see their tax rate drop from 46 percent to 33 percent; be allowed to deduct one half the dividends they pay to their shareholders, and be allowed to adjust their interests and inventories for inflation, analysts still expect that by 1990 corporate America will pay about $45 billion more in taxes.

"What we are trying to do by this plan," Treasury Secretary Donald Regan said, "is make the tax system not only simpler, fairer and more economically efficient, but also to get individuals and businesses to make their spending, saving and investment decisions on economic, not tax grounds."

Regan said the investment tax credits and accelerated depreciation adopted by Congress to spur investment in 1981 introduced a major distortion into the economy. They favor capital-intensive industries at the expense of the service industries which increasingly describe the norm of corporate America, according to Regan.

This proposal is aimed at correcting that and many more distortions, he said.

But John Meager, of Basic Industries Coalition, predicted that if the Treasury proposal is adopted the basic industries of the U.S. will become even more vulnerable to foreign competition and pressure for protectionist measures will increase.

"Foreign governments give significant tax advantages to exporters that the U.S. Government offsets in part through the investment tax credit and accelerated depreciation provisions of 1981," he said. "If we drop those, I guarantee protectionism will become popular."

Indeed, Chrysler Corp. and Ford Motor Co. have insisted for four years that Japanese auto makers enjoy a considerable tax advantage in the U.S. market because the Japanese Government rebates taxes to them when they export their vehicles.

Treasury officials suggested, however, that corporate America look carefully at the proposal before condemning it. Because the tax load on most individuals would decline, funds available for car purchases might well increase.

At the dealer level, the most immediate impact of the Treasury's tax proposal would be on the leasing business and inventory carrying costs. Loss of the investment tax credit would make leasing more expensive to customers because the dealer could no longer take the 10-percent credit now allowed.

Offsetting that, however, would be the Treasury's proposal to drop the LIFO (last-in, first-out) inventory accounting procedures conformity requirement that many firms believe puts them at a competitive disadvantage in attracting investment funds. Approximately 40 percent of all auto dealers use LIFO.

Meanwhile, whether the tax simplification plan is ever adopted is up in the air. Treasury Secretary Regan himself has suggested that the plan is "open to change."

President Reagan has said only that he will take a look at it, and on Capitol Hill both House and Senate members in key committees suggest the Treasury proposal is but a starting point and that much change lies in the wings.

Neither Ford nor Chrysler had a comment on the tax plan. General Motors Chairman Roger B. Smith praised the proposal, though, saying it "is a move in the right direction."

Said Smith, "GM believes that the tax system should be as neutral as possible so as not to distort the allocation of resources within the economy. Also, there is a need for simplification."

Mazda to construct Detroit-area plant

Mazda Motor Corp. will build an entirely new auto assembly plant on a site adjacent to Ford Motor Co.'s vacant Michigan Casting Center in Flat Rock, Mich.--thereby becoming the fourth Japanese automaker to situate vehicle assembly operations in the U.S.

Company officials announced the decision at a press conference in Detroit last Friday. Construction of the $450-million facility is slated to get under way next spring and production is due to begin in the fall of 1987.

At full production, the Flat Rock plant will be capable of turning out 240,000 units annually and will employ about 3,500 people. Mazda Managing Director Hirotaka Iida said the firm is negotiating to sell Ford Motor Co. part of the plant's annual output. However, he took issue with speculation that the Flat Rock project represents a joint venture between Mazda and Ford, which owns 25 percent of the Japanese company.

"I want to correct this false speculation," said Iida. "The plant will be designed, built, operated and owned by Mazda Motor Corp. alone."

Iida said the new facility will enable U.S. Mazda dealers to expand sales. But to achieve necessary production scales, he said, it may become necessary to sell part of the production to its U.S. partner.

According to United Auto Workers President Owen Bieber, the union has reached an understanding with the company.Mazda officials declined to offer details about products to be built at Flat Rock.Iida said the company will acquire Ford's idle engine casting plant, which closed in December, 1981. Part of the casting center will be demolished to make room for the Mazda reportedly also considered building a plant from the ground up in Greenville, S.C., or Omaha, Neb., before deciding to locate a facility in Michigan.

Week's output highest of year

By Louise Kertesz
Detroit Reporter

U.S. car and truck makers scheduled their highest production of the year last week.

Overtime at 28 assembly plants contributed to the record build.

The targeted output of 186,230 cars was better than the previous weekly high for the year of 181,909, reached in the week ended March 10.

Slated production of 72,514 trucks topped the former 1984 peak of 70,166 reached in the week ended Nov.10.

Details on Page 65.

breaking news

Honda Acura plans detailed

DALLAS. – Acura, American Honda's second distribution network, is tentatively scheduled to begin distribution in April, 1986, selling two ranges of automobiles, the company told its dealers here. The Honda/Acura setup has been designed to sell as many as 800,000 cars by 1990. First-year sales are targeted at 45,000 units through 50 to 60 dealers. Eventually, that is to grow to 600 dealers and 250,000 to 300,000 units. Honda is gunning for the No. One position in import-car sales, it told dealers. Five exterior and two interior mockups were shown.

GM ends COLA for some salaried workers

DETROIT. – General Motors will end cost-of-living adjustments for about 15,000 of its 125,000 salaried workers on Jan.1 and will instead fold the money into the base salary, raising it about $6,200. Merit raises also will be increased; GM's matching contribution to the Savings-Stock Purchase Program will be raised, and Preferred Provider Organizations (PPOs) will be added to the available health care programs.